

**[Forest Service] Mini-Grant Program**  
**CFDA No. Not Assigned**  
**Department of Community and Economic Development**  
**Program 8**

I. PROGRAM OBJECTIVES

[The purpose of the USDA Forest Service Mini-Grant Program is to promote development of the rural areas of the state by assisting community-led and community-based natural resource related efforts to diversify and strengthen rural economies.] **The purpose of the Mini-Grant Program is to provide funds for projects that support community economic development or development strategies.** The program is committed to supporting innovative efforts to create jobs and income in rural Alaskan communities.

This program uses federal pass through funds and the audit should be conducted in accordance with federal audit requirements, as applicable.

II. PROGRAM PROCEDURES

Funds are awarded on a competitive basis to eligible rural communities. Up to \$30,000 per application cycle may be provided to a community under this program.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED AND UNALLOWED

Compliance Requirement

[A project is eligible for funding under the USDA Forest Service Mini-Grant Program if it: (1) increases the number of jobs in the community; (2) supports small business development in the community; (3) emphasizes development in underdeveloped rural areas; (4) promotes self-sufficiency and diversification in local economies; (5) provides for import substitution; (6) provides for the production and export of local goods and services; (7) is a youth enterprise; or, (8) draws together other resources in the community in support of economic development.] **A project is eligible for funding under the Mini-Grant Program only if it supports community economic development or development strategies (i.e., economic development strategy, business plan, feasibility study, design and engineering plan, etc.) A community economic development project is a project that will likely generate new**

**income for the community or otherwise has the potential to improve the community's economy in a significant and long-lasting way.**

Suggested Audit Procedures

- Test financial and related records and determine the purposes for which grant funds were expended.

**B. ELIGIBILITY**

The auditor is not expected to make tests for recipient eligibility.

**C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS**

Compliance Requirements

Although not required by statute or regulations, grant recipients are encouraged to provide local or other funds or in-kind services to the project. Funding decisions are made, in part, on the basis of such a contribution by the grantee. The grant agreements will often specify the local or other contributions.

Suggested Audit Procedures

- Review the grant agreement to identify any contribution to be provided.
- Review financial and grant records to verify the source of funds and that the amount of the contribution was provided.

**D. REPORTING REQUIREMENTS**

Compliance Requirements

Grant recipients are to provide financial and narrative reports according to a schedule established in the grant agreement.

Suggested Audit Procedures

- Trace data in selected reports to underlying documentation.

**E. SPECIAL TESTS AND PROVISIONS**

There are no special tests or provisions beyond the preceding requirements.

Modified 5/02